

Exhibit A

Phil Weiser

COLORADO ATTORNEY GENERAL



FILE A COMPLAINT

Attorney General Phil Weiser announces CenturyLink will pay \$8,476,000 for charging hidden fees, overbilling Colorado customers

Dec. 19, 2019 (DENVER, Colo.)—Attorney General Phil Weiser announced today that CenturyLink will pay \$8,476,000 for unfairly and deceptively charging hidden fees, falsely advertising guaranteed locked prices, and failing to provide discounts and refunds it promised to consumers who signed up for internet, television, and telephone services in Colorado.

“One of CenturyLink’s main selling points is that its prices are low and affordable. Yet, we received hundreds of complaints from consumers that their bills were more than the advertised price or the price that sales agents quoted them. This sticker shock often was a result of misleading hidden fees, overcharges for services, and CenturyLink’s failure to deliver discounts that they promised to consumers when they signed up for services,” explained Attorney General Phil Weiser. “CenturyLink’s conduct broke the law: they deceived consumers by telling them they would pay one price, and then charging them more. The settlement we are announcing today holds CenturyLink accountable and provides relief to consumers they harmed with their deceptive conduct.”

The Attorney General’s Consumer Protection Section started investigating CenturyLink’s conduct in October 2017. The investigation uncovered evidence dating back to 2014 that the company systematically and deceptively overcharged consumers for services. For example, CenturyLink misled customers about the cost of its internet service by creating a disguised surcharge called an Internet Cost Recovery Fee that started at \$.99 and was increased to \$3.99 over the course of three years. CenturyLink listed this surcharge along with other industry standard and government fees on customers’ monthly bills, leading

customers to believe it was a standard fee or tax for products or services. Instead, the fee was a hidden price increase that CenturyLink kept for itself to generate profit.

In addition, CenturyLink falsely advertised “price lock” and “fixed price” contracts while fully intending to charge customers more than the advertised price. For example, a 2015 mailer offered internet services for \$19.95 per month and guaranteed that the price would be locked in for five years. However, CenturyLink charged more than the advertised price by adding the Internet Cost Recovery Fee, and then later increased the overcharge by increasing the fee. Because of this sleight of hand, the advertised price was not the actual price, nor was it “locked” or “fixed.”

On top of the deceptive nature of its Internet Cost Recovery Fee and price lock offers, CenturyLink’s complex promotional pricing schemes and outdated billing system resulted in routine misquotes to consumers. The company also gave sales agents incentives to deliberately mislead customers about the price of services. Sometimes, CenturyLink billed customers more than twice the rate that it had promised the consumer, and in many cases, it did not deliver the promised discounts.

Finally, when customers ended service with CenturyLink, the company sometimes failed to deliver a refund for the returned equipment, and only gave a refund when customers called and proved that they had returned the equipment.

Under an agreement filed in Denver District Court today, CenturyLink will refund customers \$1,701,000 for overbilling errors by March 31, 2020. In addition, CenturyLink will pay \$6,775,000 to the State of Colorado for violating the Colorado Consumer Protection Act. If feasible and practicable, the Attorney General’s office will return this money to customers who were impacted by CenturyLink’s conduct. Any remaining funds will be used to protect Coloradans from fraud or violations of the state’s antitrust laws that thwart competition and harm consumers, and for other appropriate purposes.

To protect consumers from any future such violations, CenturyLink has agreed to:

- Disclose the actual price of its services, including charges and fees, at the time of sale and in sales materials and advertising;
- Send the customer an “Order Confirmation” that includes a complete bill summary within three days after a customer orders services from CenturyLink;
- Stop adding the Internet Cost Recovery Fee to future orders; and
- Stop charging unreturned equipment fees to customers who return equipment on time.

CenturyLink must also submit compliance reports to the Consumer Protection Section of the Attorney General’s Office for three years, and must keep all sales call recordings and written sales correspondence for two years.

Protecting consumers is one of the Attorney General’s top priorities, and Weiser said his office will continue to investigate hidden fees and unfair price increases that companies charge consumers.

“I am committed to enforcing our consumer protection and antitrust laws, and to holding businesses accountable when they harm Coloradans. Today’s settlement sends a clear message that businesses must fairly and honestly disclose all fees and charges and that they must honor the prices that they quote to

Colorado consumers. This action also makes clear that it is unacceptable to force consumers to go to considerable effort to receive promised refunds,” said Weiser.

[Click here](#) to read the complaint filed in Denver District Court.

[Click here](#) to read the consent judgment filed with the Denver District Court.

[Click here for an m4a audio file](#) of the Attorney General’s remarks.

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